

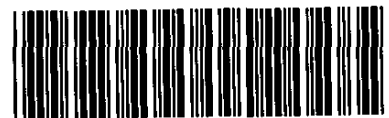
Registration number: 00163609

# Amec Foster Wheeler (Holdings) Limited

*Annual Report and Unaudited Financial Statements*

for the Year Ended 31 December 2022

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**Amec Foster Wheeler (Holdings) Limited**  
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## **Amec Foster Wheeler (Holdings) Limited**

### **Strategic Report for the Year Ended 31 December 2022**

The directors present their Strategic Report on Amec Foster Wheeler (Holdings) Limited (the "Company") for the year ended 31 December 2022.

#### **Principal activities**

The principal activity of the Company during the year was to act as a holding company. The Company has unsettled obligations in respect of asbestos claims, which with the exception of public liability claims, are considered recoverable under the Company's insurance arrangements.

#### **Fair review of the business**

The results for the year include \$3,128,000 (2021: \$1,033,000) of income from shares in group undertakings.

The profit for the year, after taxation, amounted to \$451,000 (2021: \$379,000 (loss restated)).

In 2022, the Company received 5 claims, of which all related to employer liability claims. Employer liability claims are fully insured, and 2 of the employer liability claims received in 2022 were handed over to the appropriate insurance companies in line with the process in place.

From 1 January 2022, the functional currency of the Company changed from Sterling to US Dollars. This is as a result of the change in currency of income and expenses driven by amendment in denomination of intercompany loans which triggered the change in functional currency. In line with the requirements of IAS 21, this change has been made prospectively from the date of currency change. The presentational currency of the financial statement also changed to US Dollars in 2022. Accordingly, prior year numbers are restated for the comparative purpose, retrospectively. Refer note 15 for further details.

#### **Key performance indicators (KPI's)**

The directors of John Wood Group PLC, the ultimate holding company manages the operations on a Group basis. The directors of the Company have not identified any KPIs due to the nature of its operations as a holding company. The development and position of the Group, which includes the Company, is discussed in the Group's annual report and financial statements.

#### **Principal risks and uncertainties**

The Company is a group holding company, however its principal activity relates to historic asbestos claims. Accounting for these provisions and the associated insurance recoveries requires estimations including the ultimate number, value and type of claims filed. This is managed at Group level and more detailed disclosure is available in the financial statements of John Wood Group PLC, the Company's ultimate holding company.

#### **Section 172(1) statement**

The directors of the Company, as those of all UK companies, must act in accordance with section 172 of the UK Companies Act 2006. The directors are of the opinion that they have acted fairly and in good faith to promote the success of the Company for the benefits of its members.

The directors have carried out these duties and have made decisions and undertake short and long-term strategies to maintain its financial performance and position. The directors continue to recognise the importance of the Company's partnership with all stakeholders, including employees, members, suppliers, customers and the community, as well as maintaining its high standards of business conduct and reputation.

**Amec Foster Wheeler (Holdings) Limited**  
**Strategic Report for the Year Ended 31 December 2022 (continued)**

**a) The likely consequences of any decisions in the long term;**

The Company's main activity relates to historic asbestos claims and it is also a group holding company.

The Company consistently considers the long term impact of its decisions as can be noted from the following examples:

- Our clearly defined purpose and strategy, underpinned by our culture, is fundamental to sustaining value over the longer-term; and
- Our robust risk governance and operations assurance policies and processes ensure the long term sustainability for all our stakeholders.

**b) The interest of the Company's employees;**

The Company does not have employees.

**c) The need to foster the Company's business relationships with suppliers, clients and others;**

**Clients**

The Company does not have clients.

**Suppliers**

The Company does not have suppliers.

**Lenders**

The Company does not have lenders.

**d) The impact of the Company's operations on the environment and the community;**

**Environment**

Further information on our environmental performance and ongoing strategy is contained in the Wood Group's annual sustainability report which is available at: [woodplc.com/sustainability](http://woodplc.com/sustainability).

Managing, protecting and enhancing our environment is imperative to the sustainability of our business and the standards we set and help shape the performance, profitability and the reputation of the Company.

**How we engage**

Wood Group has an integrated HSSEA management system which provides the framework for how we manage environmental risks and how we align our business to ISO14001:2015.

**Areas of engagement and outcomes**

Wood Group engage with regulators throughout the jurisdictions we operate in to ensure a close working relationship on our projects related to operational permits and licences, greenhouse gas emissions, discharges and waste management. Engagement ensures best practice and learning is shared and embedded into the projects we undertake.

**Community**

Our activities put us at the heart of local communities and we recognise that by actively supporting our local communities we:

- Develop closer ties based on mutual respect, trust and understanding;
- Bring long-term sustainability to the locations where we do business; and
- Form lasting relationships with local communities.

**Amec Foster Wheeler (Holdings) Limited**  
**Strategic Report for the Year Ended 31 December 2022 (continued)**

**How we engage**

We have taken a three-tiered approach to community engagement:

- (1) Supporting employee personal choice charities;
- (2) Uniting Wood Group's business behind one global cause that demonstrates we are stronger together; and
- (3) Volunteering to support our communities at a local level.

**Areas of engagement and outcomes**

We recognise that our employees are best placed to understand the needs of the communities we operate in and we support their volunteering efforts to benefit local communities.

**e) The desirability of the Company maintaining a reputation for high standards of business conduct;**

Our commitment to sustaining a visible, continually improving ethical culture remained strong throughout 2022.

Leaders across the organisation play a key role in delivering Wood's Ethics & Compliance (E&C) programme by emphasising ethical behaviour to our workforce and embedding Wood's E&C policies and procedures into our operations. In 2022, operational leaders across the business sponsored campaigns to raise awareness of behavioural expectations.

The importance of doing the right thing is reinforced in Wood Group's Code of Conduct which sets clear expectations for ethical business practices and guides employees how to respond if faced with ethical decisions. It also provides several "speak up resources" and encourages employees to report anything they feel does not reflect Wood Group's values, policies or the law. A number of E&C training and communication initiatives, including leadership webinars and face to face engagement sessions, both for targeted populations and the wider workforce, were used to further embed key concepts from the Code of Conduct, the importance of speaking up and Wood's zero-tolerance policy on retaliation.

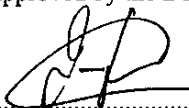
Compliance with the Code of Conduct and supporting policies and procedures is mandatory for all directors, officers and employees as well as contractors, consultants, representatives, intermediaries and agents retained by Wood. Any reports of non-compliance are investigated and appropriate action taken, up to and including termination of the business relationship.

**f) The need to act fairly as between members of the Company;**

The Company has only one shareholder, Foster Wheeler Europe. The ultimate parent company is John Wood Group PLC.

Refer to the John Wood Group PLC 2022 Annual Report and Financial Statements for details of how the Group act fairly between members of the Company.

Approved by the Board on 23 Oct 2023 and signed on its behalf by:



.....  
IA Jones  
Company secretary

**Amec Foster Wheeler (Holdings) Limited**  
**Directors' Report for the Year Ended 31 December 2022**

The directors present their report and the unaudited financial statements of the Company for the year ended 31 December 2022.

**Directors**

The directors who served during the financial year ended 31 December 2022 and up to the date of signing the financial statements, unless otherwise indicated, are given below:

AS McLean

WG Setter

**Results and dividends**

The profit for the year, after taxation, amounted to \$451,000 (2021: \$379,000 (loss restated)).

The directors do not recommend the payment of a dividend for the year ended 31 December 2022 (2021: \$nil).

**Future developments**

The directors do not anticipate any significant changes to the activities of the Company in the medium to long term.

**Engagement with employees, suppliers, customers and others**

Relationships with stakeholders are of strategic importance to the Company and these matters are therefore dealt with in the Strategic Report (under section 172 obligations).

**Going concern**

The Company had net assets of \$32,487,000 and net current liabilities of \$9,630,000 as at 31 December 2022 and made a profit for the year then ended of \$458,000. As at the date of approval of these financial statements, the Company has net assets of \$182,216,000 and net current liabilities of \$15,346,000. The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Company did not carry out any trading activities in the current year and is not expected to trade during the forecast period. The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

The forecasts reflect how the Company has unsettled obligations in respect of asbestos claims which, with the exception of public liability claims, are considered recoverable under the Company's insurance arrangements. and for the public liability claims, the Company will have sufficient funds to meet its unsettled liabilities.

Those forecasts are dependent on John Wood Group Holdings Limited not seeking repayment of the amounts currently due to the group, which at 31 December 2022 amounted to \$58,404,000. John Wood Group Holdings Limited has indicated that it does not intend to seek repayment of the amounts due at the Balance Sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**Amec Foster Wheeler (Holdings) Limited**  
**Directors' Report for the Year Ended 31 December 2022 (continued)**

**Disclosure of information in the Strategic Report**

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, a Strategic Report and the Company's results, activities, objectives, policies and risks has been included on pages 1 to 3 of the financial statements.

**Events after Balance Sheet date**

There have been no material adjusting or disclosable events since the financial year end.

Approved by the Board on 23 Oct 2023 and signed on its behalf by:



.....  
IA Jones  
Company secretary

## **Amec Foster Wheeler (Holdings) Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable laws (United Kingdom Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework ('FRS 101'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for such internal control, determined as necessary, to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



**Amec Foster Wheeler (Holdings) Limited**  
**Income Statement for the Year Ended 31 December 2022**

		<b>2022</b>	<b>Restated*</b>
	<b>Note</b>	<b>\$ 000</b>	<b>2021</b>
			<b>\$ 000</b>
Other operating expense		221	(14)
Income from shares in group undertakings		<u>3,128</u>	<u>1,033</u>
Operating profit		3,349	1,019
Finance income	4	384	255
Finance expense	5	<u>(3,286)</u>	<u>(1,597)</u>
Profit/(loss) before tax		447	(323)
Taxation	8	<u>4</u>	<u>(56)</u>
Profit/(loss) for the year		<u><u>451</u></u>	<u><u>(379)</u></u>

The above results were derived from continuing operations.

\*See note 15 for further details.

The notes on pages 12 to 27 form an integral part of these financial statements.

**Amec Foster Wheeler (Holdings) Limited**  
**Statement of Comprehensive Income for the Year Ended 31 December 2022**

		2022	Restated*
	Note	\$ 000	2021 \$ 000
Profit/(loss) for the year		451	(379)
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Foreign exchange on change of presentational currency (note 15)		<u>-</u>	<u>6</u>
Total comprehensive income/(expense) for the year		<u>451</u>	<u>(373)</u>

\*See note 15 for further details.

The notes on pages 12 to 27 form an integral part of these financial statements.

**Amec Foster Wheeler (Holdings) Limited**  
**(Registration number: 00163609)**  
**Balance Sheet as at 31 December 2022**

		31 December 2022 \$ 000	Restated* 31 December 2021 \$ 000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	9	91,327	91,327
Trade and other receivables	10	8,752	9,224
		<u>100,079</u>	<u>100,551</u>
<b>Current assets</b>			
Trade and other receivables	10	1,501	5,317
Cash and cash equivalents		1,106	-
		<u>2,607</u>	<u>5,317</u>
<b>Total assets</b>		<u><b>102,686</b></u>	<u><b>105,868</b></u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Called up share capital	14	1,354	1,354
Profit and loss account		31,133	30,682
		<u>32,487</u>	<u>32,036</u>
<b>Non-current liabilities</b>			
Provisions	11	10,053	10,785
Trade and other payables	12	47,909	53,072
		57,962	63,857
<b>Current liabilities</b>			
Trade and other payables	12	12,237	9,975
<b>Total liabilities</b>		<u><b>70,199</b></u>	<u><b>73,832</b></u>
<b>Total equity and liabilities</b>		<u><b>102,686</b></u>	<u><b>105,868</b></u>

\*See note 15 for further details.

The notes on pages 12 to 27 form an integral part of these financial statements.

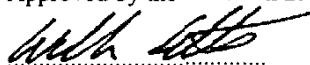
**Amec Foster Wheeler (Holdings) Limited**  
**(Registration number: 00163609)**  
**Balance Sheet as at 31 December 2022 (continued)**

For the financial year ending 31 December 2022, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 23 Oct 2023 and signed on its behalf by:



WG Setter  
Director

The notes on pages 12 to 27 form an integral part of these financial statements.

**Amec Foster Wheeler (Holdings) Limited**  
**Statement of Changes in Equity for the Year Ended 31 December 2022**

	<b>Called up share capital \$ 000</b>	<b>Profit and loss account \$ 000</b>	<b>Total \$ 000</b>
At 1 January 2022	1,354	30,682	32,036
Profit for the year	-	451	451
Total comprehensive income	-	451	451
At 31 December 2022	1,354	31,133	32,487

<b>As restated*</b>	<b>Called up share capital \$ 000</b>	<b>Profit and loss account \$ 000</b>	<b>Total \$ 000</b>
At 1 January 2021	1,354	31,055	32,409
Loss for the year	-	(379)	(379)
Foreign exchange on change of presentational currency (note 15)	-	6	6
Total comprehensive expense	-	(373)	(373)
At 31 December 2021	1,354	30,682	32,036

\*See note 15 for further details.

The notes on pages 12 to 27 form an integral part of these financial statements.

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## **Amec Foster Wheeler (Holdings) Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**

#### **1 General information**

The Company is a private company limited by share capital, incorporated and domiciled in England and Wales.

The address of its registered office is:

Booths Park  
Chelford Road  
Knutsford  
Cheshire  
WA16 8QZ

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities measured at fair value through the Income Statement, and in accordance with the Companies Act 2006.

The preparation of financial statements with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company's presentation currency has changed from Sterling to US Dollars. This is as a result of the change in currency of income and expenses driven by amendment in denomination of intercompany loans which triggered the change in functional currency.

Following this change in accounting policy, the comparatives in financial statements are represented in US Dollars using the procedures outlined below. All notes have been restated in US Dollars to reflect this.

Prior year assets, liabilities and share capital are translated into US Dollars at closing exchange rate of 1.3545. Trading results are translated into US Dollars at average rates of 1.3757. Differences resulting from the retranslation on the opening net assets and the results for the period have been taken to the Other Comprehensive Income in line with the requirements of IAS 21. Refer note 15 for further details.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'US Dollar' (\$), which is also the Company's functional currency.

The level of rounding is to the nearest '000 US Dollar (\$), unless otherwise stated.

## **Amec Foster Wheeler (Holdings) Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Summary of disclosure exemptions**

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement';
- Paragraphs 10(d), 10(f), 16, 38A, 38B to D, 40A to D, 111 and 134 to 136 of IAS 1, 'Presentation of financial statements';
- IAS 7, 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors';
- Paragraphs 17 and 18A of IAS 24, 'Related party disclosures', to disclose key management compensation;
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group; and
- Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of assets'.

##### **Going concern**

The Company had net assets of \$32,487,000 and net current liabilities of \$9,630,000 as at 31 December 2022 and made a profit for the year then ended of \$458,000. As at the date of approval of these financial statements, the Company has net assets of \$182,216,000 and net current liabilities of \$15,346,000. The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Company did not carry out any trading activities in the current year and is not expected to trade during the forecast period. The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds to meet its liabilities as they fall due for that period.

The forecasts reflect how the Company has unsettled obligations in respect of asbestos claims which, with the exception of public liability claims, are considered recoverable under the Company's insurance arrangements. and for the public liability claims, the Company will have sufficient funds to meet its unsettled liabilities.

Those forecasts are dependent on John Wood Group Holdings Limited not seeking repayment of the amounts currently due to the group, which at 31 December 2022 amounted to \$58,404,000. John Wood Group Holdings Limited has indicated that it does not intend to seek repayment of the amounts due at the Balance Sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**2 Accounting policies (continued)**

**Exemption from preparing group accounts**

The Company is a wholly owned subsidiary of Foster Wheeler Europe and of its ultimate parent, John Wood Group PLC. It is included in the consolidated financial statements of John Wood Group PLC, which are publicly available. Therefore, the company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. The address of the ultimate parent's registered office is 15 Justice Mill Lane, Aberdeen, AB11 6EQ.

These financial statements are separate financial statements.

**Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 January 2022 have had a material effect on the financial statements.

**Functional currency**

The functional currency of the Company is US Dollar, having changed from Sterling on 1 January 2022, prospectively. Transactions in foreign currencies are translated into the relevant functional currency at the exchange rate ruling at the date of the transaction, Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the Balance Sheet date. Any exchange differences are to the Income Statement. Refer basis of preparation note for further details..

**Finance income and costs policy**

Interest income and expense is recorded in the same Income Statement in the period to which it relates.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial assets; or
- The amortised cost of the financial liability.

**Income from shares in group undertakings**

Income from shares in group undertakings is recognised when the right to receive payment is established.

**Tax**

The tax charge represents the sum of tax currently payable and deferred tax. Tax currently payable is based on the taxable profit for the year. Taxable profit differs from the profit reported in the Income Statement due to items that are not taxable or deductible in any period and also due to items that are taxable or deductible in a different period. The Company's liability for current tax is calculated using tax rates enacted or substantively enacted at the Balance Sheet date.



## **Amec Foster Wheeler (Holdings) Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **2 Accounting policies (continued)**

Tax is recognised in the Income Statement except to the extent that it relates to items recognised in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity as appropriate.

A current tax provision is recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. In line with IFRIC 23, depending on the circumstances, the provision is either the single most likely outcome, or a probability weighted average of all potential outcomes. The provision incorporates tax and penalties where appropriate. Separate provisions for interest are also recorded. Interest in respect of the tax provisions is not included in the tax charge, but disclosed within profit before tax.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred tax is provided, using the full liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The principal temporary differences arise from depreciation on PP&E, tax losses carried forward and, in relation to acquisitions, the difference between the fair values of the net assets acquired and their tax base. Tax rates enacted, or substantively enacted, at the Balance Sheet date are used to determine deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and it is intended that they will be settled on a net basis.

#### **Investments**

Investments in subsidiaries and joint ventures are measured at cost less accumulated impairment.

#### **Impairment**

The Company performs impairment reviews in respect of investments in subsidiaries and joint ventures whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than its carrying amount. Impairment losses are recognised in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and other short-term bank deposits with original maturities of three months or less. Bank overdrafts are included within borrowings in current liabilities. The Company presents balances that are part of a pooling arrangement on a gross basis in both cash and short-term borrowings.

#### **Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**2 Accounting policies (continued)**

The Company recognises loss allowances for Expected Credit Losses ('ECLs') on trade receivables and gross amounts due from customers, measured at an amount equal to lifetime ECLs. ECLs are a profitability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes a customer being in significant financial difficulty or a breach of contract such as a default. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a proportion thereof. For individual customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

**Asbestos related receivables**

Asbestos related receivables represents management's best estimate of insurance recoveries relating to liabilities for pending and estimated future asbestos claims through to 2050. They are only recognised when it is virtually certain that the claim will be paid. Asbestos related assets under executed settlement agreements with insurers due in the next 12 months are recorded within Trade and other receivables and beyond 12 months are recorded within Long term receivables. The Company's asbestos related assets have been discounted using an appropriate rate of interest.

**Trade and other payables**

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

**Provisions**

Provisions are recognised where the Company is deemed to have a legal or constructive obligation, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate of the obligation can be made. Where amounts provided are payable after more than one year the estimated liability is discounted using an appropriate rate of interest.

The Company has taken internal and external advice in considering known and reasonably likely legal claims made by or against the Company. It carefully assesses the likelihood of success of a claim or action. Appropriate provisions are made for legal claims or actions against the Company on the basis of likely outcome, but no provisions are made for those which, in the view of management, are unlikely to succeed.

The provisions relate to asbestos related litigation. The Company has received asbestos-related claims in connection with work performed during a period which ended in the late 1980's and expects to receive additional such claims in the future. The liability recognised by the Company includes estimates of indemnity amounts and defence costs expected to be incurred each year in the period to 2050, beyond which time management expects that there will be no longer be a significant number of claims. The resulting cash flows are discounted using a nominal discount rate of XX% (2021: 1.13%) and the net present value is recorded as a provision. As explained in more detail in a separate accounting policy the cost of these claims, with the exception of public liability claims, is covered under the Company's insurance, and therefore, amounts which are recoverable are recorded in trade and other receivables. See note 11 for further details.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**2 Accounting policies (continued)**

**Share capital**

The Company has one class of ordinary shares and these are classified as equity. Dividends on ordinary shares are not recognised as a liability or charged to equity until they have been approved by shareholders.

**3 Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. These estimates and judgements are based on management's best knowledge of the amount, event or actions and actual results ultimately may differ from those estimates. Company management believe that the estimates and assumptions listed below have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities.

**Asbestos provisions and insurance recoveries (estimate and judgement)**

Accounting for provisions for asbestos and the associated insurance recoveries requires estimations that may result in significant changes in the current estimates. Among these uncertainties are the ultimate number and types of claims filed, the amount of claim costs, the impact of bankruptcies of other companies with asbestos claims, uncertainties surrounding the litigation process from jurisdiction to jurisdiction and from case to case, as well as potential legislative changes. Fluctuations in market interest rates could cause significant changes in the discounted amount of the asbestos related liabilities and insurance recoveries.

There is a high degree of uncertainty in the assumptions above and the final number, quantum, and outcome of future claims may be significantly different from the provisions. The directors engage professional actuaries to prepare the estimations above based on the Company claims and exposures data, and market projections. The range of reasonable actuarial estimates is highly material. The directors have consistently used a cautious estimate point within that actuarial range. Refer note 11 for further details.

**4 Finance income**

	<b>2022</b>	<b>Restated*</b>
	<b>\$ 000</b>	<b>2021</b>
		<b>\$ 000</b>
Interest income on bank deposits	15	11
Unwinding of discount relating to asbestos receivables	349	129
Interest received from group undertakings	20	107
Other interest income	-	8
	<u>384</u>	<u>255</u>

\*See note 15 for further details.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**5 Finance expense**

	<b>2022</b>	<b>Restated*</b>
	<b>\$ 000</b>	<b>2021</b>
		<b>\$ 000</b>
Unwinding of discount relating to asbestos liabilities	423	151
Interest paid to group undertakings	2,844	1,446
Other interest expense	19	-
	<u>3,286</u>	<u>1,597</u>

**6 Staff costs**

The average number of persons employed by the Company (including directors) during the year was nil (2021: nil).

**7 Directors' remuneration**

The directors are also directors of other companies within the Wood Group and their emoluments relate to their services provided to the group as a whole are paid by other group undertakings. These emoluments have not been recharged to the Company in the current or prior year.

**8 Taxation**

Tax (credited)/charged in the Income Statement

	<b>2022</b>	<b>Restated*</b>
	<b>\$ 000</b>	<b>2021</b>
		<b>\$ 000</b>
<b>Current taxation</b>		
UK corporation tax	23	28
UK corporation tax adjustment to prior periods	(27)	-
	(4)	28
Foreign tax	-	28
Tax (receipt)/expense in the Income Statement	<u>(4)</u>	<u>56</u>

\*See note 15 for further details.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**8 Taxation (continued)**

The tax on profit before tax for the year differs from the standard rate of corporation tax in the UK of 19% (2021 - 19%).

The differences are reconciled below:

	<b>2022</b>	<b>Restated*</b>
	<b>\$ 000</b>	<b>2021</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Profit/(loss) before tax	447	(323)
Corporation tax at standard rate	85	(61)
Decrease in current tax from adjustment for prior periods	(27)	-
Decrease from effect of revenues exempt from taxation	(594)	(197)
Decrease from effect of expenses not deductible in determining tax loss	(9)	-
Decrease from tax losses for which no deferred tax asset was recognised	(10)	(70)
Increase arising from group relief tax reconciliation	551	328
Increase from effect of foreign tax rates	-	28
Increase from effects of double taxation relief	-	28
Total tax (credit)/charge	(4)	56

The standard rate of tax applied to reported profit on ordinary activities is 19% (2021: 19%). The applicable tax rate of 19% was established in the Finance Act 2015 and has applied from 1 April 2017. It was announced in the UK Government's Budget on 3 March 2021 that the main UK corporation tax rate will increase to 25% from 1 April 2023. This was substantively enacted in May 2021.

Deferred tax assets as at 31 December 2022 amounting to \$1,049,000 (2021: \$1,061,000) have not been recognised as the Directors of the Company consider that it is highly unlikely that the asset will crystallise in the foreseeable future.

\*See note 15 for further details.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**9 Investments**

<b>Subsidiaries</b>	<b>\$ 000</b>
<b>Cost or valuation</b>	
At 1 January 2022	302,671
Disposals	<u>(23)</u>
At 31 December 2022	<u>302,648</u>
<b>Impairment</b>	
At 1 January 2022	211,344
Eliminated on disposals	<u>(23)</u>
At 31 December 2022	<u>211,321</u>
<b>Carrying amount</b>	
At 31 December 2022	<u>91,327</u>
At 31 December 2021	<u>91,327</u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

*Company's directly owned subsidiaries*

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
Amec Foster Wheeler Energy Limited	(a)	Ordinary Shares	100%	Trading Company
Amec Foster Wheeler Properties (PTY) Limited	(b)	Ordinary Shares	100%	Trading Company
Foster Wheeler (G.B.) Limited	(a)	Ordinary Shares	100%	Trading Company
Foster Wheeler (Process Plants) Limited	(a)	Ordinary Shares	100%	Dormant Company
Foster Wheeler E&C Limited	(a)	Ordinary Shares	100%	Dormant Company
Foster Wheeler Environmental (UK.) Limited	(a)	Ordinary Shares	100%	Dormant Company
Foster Wheeler Europe B.V.	(d)	Ordinary Shares	100%	Dormant Company
Foster Wheeler World Services Limited	(a)	Ordinary Shares	100%	Dormant Company
Process Plants Suppliers Limited	(a)	Ordinary Shares	100%	Holding Company

## Amec Foster Wheeler (Holdings) Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

#### 9 Investments (continued)

##### *Company's indirectly owned subsidiaries*

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holdings</b>	<b>Principal activity</b>
Amec Foster Wheeler Energy and Partners Engineering Company	(h)	Ordinary Shares	75%	Trading Company
Foster Wheeler (London) Limited	(a)	Ordinary Shares	100%	Dormant Company
Foster Wheeler (Nigeria) Limited	(l)	Ordinary Shares	100%	Dormant Company
Foster Wheeler (Philippines) Corporation	(k)	Ordinary Shares	100%	Dormant Company
Foster Wheeler Environmental Company Nigeria Limited	(l)	Ordinary Shares	87%	Dormant Company
Foster Wheeler Kazakhstan LLP	(m)	Ordinary Shares	100%	Dormant Company
Global Mining Projects and Engineering S.A. de C.V.	(n)	Ordinary Shares	100%	Dormant Company
MDM Engineering Investments Ltd	(i)	Ordinary Shares	100%	Holding company
MDM Engineering Projects Ltd	(i)	Ordinary Shares	100%	Dormant Company
MDM Engineering SPRL	(g)	Ordinary Shares	100%	Dormant Company
MDM Projects-Tanzania Limited	(f)	Ordinary Shares	100%	Dormant Company
Rider Hunt International South Africa (Pty) Ltd	(e)	Ordinary Shares	49%	Dormant Company
Wood BEE Holdings (Proprietary) Ltd	(b)	Ordinary Shares	58%	Holding company
Wood Mining South Africa (PTY) Ltd	(c)	Ordinary Shares	100%	Trading Company
Wood South Africa (PTY) Ltd	(b)	Ordinary Shares	49%	Trading Company

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**9 Investments (continued)**

**Registered office addresses**

- (a) Booths Park, Chelford Road, Knutsford, Cheshire, WA16 8QZ, United Kingdom.
- (b) Waterfall Corporate Campus, Building 6, 74 Waterfall Drive Waterval City, Gauteng, 2090, South Africa
- (c) Building No. 2, Silver Stream Business Park, 10 Muswell Road South, Bryanston, Gauteng, 2021, South Africa.
- (d) Naritaweg 165, 1043 BW Amsterdam, Netherlands.
- (e) Building No. 2, Silver Stream Business Park, No. 10 Muswell Road South, Bryanston, South Africa.
- (f) Plot No 483, Garden Road, Mikocheni Ward, Kinondoni District, Dar es Salaam, 14112, Tanzania.
- (g) 32 Avenue 3Z, Commune de Kasuku, Ville de Kindu, Democratic Republic of Congo.
- (h) Majd Business Center, Tower B, PO Box 30920, King Faisal Road, Al-khobar, 31952, Saudi Arabia.
- (i) 1st Floor, Felix House, 24 Dr Joseph Street, Port Louis, Mauritius..
- (j) I Murtala Muhammed Drive, Ikoyi, Lagos, Nigeria.
- (k) U -7A,7/F PDCP Bank Centre, V A Rufino St, Corner L P Leviste St, Salcedo Village, Makati City, 1227 Philippines.
- (l) 1 Murtala Muhammed Drive, Ikoyi, Lagos, Nigeria..
- (m) app 27, h 64, Bostandykskiy district, Abaya Ave, Almaty City, Kazakhstan.
- (n) Calle Coronado 124, Zona Centro, Chihuahau, 31000, Mexico.

**10 Trade and other receivables**

	<b>31 December 2022 \$ 000</b>	<b>Restated* 31 December 2021 \$ 000</b>
Amounts due from group undertakings	433	3,720
Asbestos receivables	9,805	10,805
Other debtors	15	16
	<u>10,253</u>	<u>14,541</u>

\*See note 15 for further details.



**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**10 Trade and other receivables (continued)**

Asbestos receivables of \$9,805,000 (2021: \$10,805,000) include \$8,752,000 (2021: \$9,224,000) of non-current assets. Asbestos receivables are amounts recoverable under insurance arrangements in respect of the estimated value of non-public liability asbestos related claims, discounted using a nominal discount rate of 3.85% (2021: 1.13%). The discount rate has been derived with reference to a 30 year government bond.

Amounts due from group undertakings comprise loans to group undertakings which are unsecured and repayable on demand. Interest is charged at the normal market rate.

**11 Provisions**

	<b>Total \$ 000</b>
At 1 January 2022*	10,785
Provisions utilised	(298)
Transfers to creditors	350
Unwind of discount	423
Foreign exchange movements	(1,207)
At 31 December 2022	<u>10,053</u>

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The transfer relates to the change in the allocation of asbestos exposures between current and non-current liabilities.

Provisions relate to asbestos claims on the Company, which, with the exception of public liability claims, have a corresponding receivable in respect of amounts recoverable through the Company's insurance cover. The amounts provided are the estimated liabilities required to resolve pending and future claims over a period to 2050 discounted using a nominal discount rate of 3.85% (2021: 1.13%). The discount rate has been derived with reference to a 30 year government bond.

Each year the Company records its estimated asbestos liability at a level consistent with its advisors' reasonable best estimate. The Company has worked with its advisors with respect to projecting these liabilities. The estimate takes account of the following information and/or assumptions: number of open claims, forecasted number of future claims and estimated average cost per claim.

The provision range relating to the Company is between a low of \$6,016,000 and a high of \$12,357,000, of which \$5,387,000 to \$11,094,000 is insured. The provision range includes both current and non-current exposures.

In terms of accounting for claims as current or non-current, the total provision range is outlined by the Company's advisors. The total of the insurer's reserves being amounts set aside by insurers to pay legitimate claims is then allocated to form the current portion.

The current portion of asbestos related payables is included in Trade and other payables (note 12).

\*See note 15 for further details.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**12 Trade and other payables**

	<b>31 December 2022 \$ 000</b>	<b>Restated* 31 December 2021 \$ 000</b>
Trade payables	7	5
Amounts due to group undertakings	58,404	60,663
Asbestos related payables	1,053	1,581
Income tax liability	426	530
Other creditors	256	268
	<u>60,146</u>	<u>63,047</u>

\*See note 15 for further details.

Amounts due to group undertakings includes loans from group undertakings of \$47,653,000 (2021: \$52,804,000) which are non-current liabilities. These loans are unsecured and interest is charged at the normal market rate.

Other creditors of \$256,000 (2021: \$267,000) are included in non-current liabilities.

**13 Financial risk management and impairment of financial assets**

The main risks relating to the Company's financial instruments are detailed below:

**Credit risk and impairment**

With respect to credit risk from other financial assets, these primarily relate to insurance receivables, cash and cash equivalents and intercompany receivables. The Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

**Foreign exchange risk**

The Company is exposed to foreign currency risk on intercompany balances which are in currencies other than the Company's functional currency. The Company strives to maintain intercompany loans in the functional currency of the Company, to eliminate the currency exposure wherever possible.

**Interest rate risk**

The Company's exposure to the risk of changes in market interest rates relates primarily to intercompany borrowings.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

**13 Financial risk management and impairment of financial assets (continued)**

**Liquidity risk**

The Company monitors its risk to a shortage of funds by regular projected cash flow forecasts from operations which also consider the maturity of its financial assets and liabilities. Any additional funding required is supplied by fellow Wood companies.

**Fair values of financial assets and liabilities**

Financial instruments included in the financial statements have been reviewed and the carrying values per the financial statements are the same as the fair values of these financial instruments.

**14 Called up share capital**

**Allotted, called up and fully paid up shares**

	<b>31 December 2022</b>		<b>Restated*</b>	
	<b>No. 000</b>	<b>\$ 000</b>	<b>31 December 2021</b>	
	<b>No. 000</b>	<b>\$ 000</b>	<b>No. 000</b>	<b>\$ 000</b>
1,000,000 Ordinary shares of £0.01 each	1,000	1,354	1,000	1,354

\*See note 15 for further details.

**15 Changes in foreign currency**

In line with change in functional currency, the Company has also chosen to change the presentation currency of the financial statements to US Dollars. In line with the requirements of IAS 8, this change has been applied retrospectively with prior years being restated for comparative purpose. The directors believe that the presentation currency change will give stakeholders a clearer understanding of the financial performance and financial position over time. Following this change in accounting policy, the prior year figures have been translated into US Dollars using the procedures below:

- assets and liabilities are translated into US Dollars at the closing rates of exchange. At 31 December 2021 the closing rate was Sterling/US Dollars 1.3545;
- trading results are translated into US Dollars at the average rates of exchange. At 31 December 2021 the average rate was Sterling/US Dollars 1.3757; and
- differences resulting from the retranslation of the opening net assets and the results for the period have been presented in the Other Comprehensive Income in line with the requirements of IAS 21.

**Amec Foster Wheeler (Holdings) Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**  
**(continued)**

<b>Profit and loss account</b>	<b>For the year ended 2021</b>	<b>Exchange Rate</b>	<b>For the year ended 2021</b>
	<b>(in currency as previously stated)</b>		<b>(as restated)</b>
	<b>£000</b>		<b>\$000</b>
Operating expenses	(10)	1.3757	(14)
Income from shares in group entities	751	1.3757	1,033
Operating profit	741		1,019
Finance income	186	1.3757	255
Finance expense	(1,161)	1.3757	(1,597)
Loss before tax	(234)		(323)
Taxation	(40)	1.3757	(56)
<b>Loss for the year</b>	<b>(274)</b>		<b>(379)</b>
Other Comprehensive income			
Foreign exchange on change of presentational currency	-		6
<b>Total comprehensive expense</b>	<b>(274)</b>		<b>(373)</b>

## Amec Foster Wheeler (Holdings) Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

Balance Sheet as at 31 December 2021	As at 31 December 2021 (in currency as previously stated) £000	Exchange Rate	As at 31 December 2021 (as restated) \$000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	67,425	1.3545	91,327
Trade and other receivables	6,810	1.3545	9,224
	74,235		100,551
<b>Current assets</b>			
Trade and other receivables	3,926	1.3545	5,317
<b>Total assets</b>	78,161		105,868
<b>Equity and liabilities</b>			
<b>Equity</b>			
Called up share capital	1,000	1.3545	1,354
Profit and loss account	22,653	1.3545	30,682
	23,653		32,036
<b>Non-current liabilities</b>			
Provisions	7,962	1.3545	10,785
Trade and other payables	39,181	1.3545	53,072
	47,143		63,857
<b>Current liabilities</b>			
Trade and other payables	7,365	1.3545	9,975
<b>Total liabilities</b>	54,508		73,835
<b>Total equity and liabilities</b>	78,161		105,868

#### 16 Parent and ultimate parent undertaking

The Company's immediate parent is Foster Wheeler Europe, a company incorporated in England and Wales.

The ultimate parent and controlling party is John Wood Group PLC, a company incorporated in Scotland and registered in the United Kingdom, which is also the smallest and largest group to consolidate these financial statements. These consolidated financial statements are available upon request from the John Wood Group PLC, 15 Justice Mill Lane, Aberdeen, Scotland, AB11 6EQ.

#### 17 Events after Balance Sheet date

There have been no material adjusting or disclosable events since the financial year end.